Dear Broker Partner

The COVID-19 crisis is redefining unforeseen risk in unimaginable ways, but the Executive Team and I are extremely grateful to be navigating this unchartered territory with the support, agility and responsiveness of an exceptionally committed team.

In Technical Note #1, distributed at the end of last week, we promised to address our approach to existing business and also to provide you with other proactive advice. In this Note, we are covering off:

- Traditional commercial property package policies;
- Commercial property package policies on broker wordings; and
- Specialist and hospitality products.

As always, please contact your usual Bryte Representative with any questions that you need answered.

Stay safe, and well!

Edwyn O’Neill
Chief Executive Officer

#2 General policy response
(for covers in effect prior to 23 March 2020)

Traditional commercial property package policies

- The material damage section responds when there is material damage (or loss) to the insured property.

- The business interruption section then responds for (financial) losses following an indemnifiable material damage claim on insured property.

In so far as COVID-19 does not cause material damage to property, these policies will not respond for losses a business may suffer as a result of COVID-19. However, it is important to note that each claim submitted will be assessed on its individual merit and in terms of the actual policy wording in-force.

- Depending on the exact wording in-force, the contingent business interruption (“CBI”) section may provide cover for elements of a consequential loss as a result of the COVID-19 pandemic. If it responds, cover will be as per the sub-limits reflected in the policy schedule.

★ Depending on the policy class, this may also be known as Miscellaneous Risks extensions or robbery / violent crime / murder / suicide / disease / pollution / animal and shark attack extensions.

#RiskReady

Do remember that up-to-date information on COVID-19 is available on our information hub. Please visit the site below frequently.

brytesa.com/covid-19-riskready
Commercial property package policies on broker wordings

Some broker specific package policies may also offer business interruption extensions for miscellaneous risks or disease and pollution. If a policy responds, cover will be as per the sub-limits reflected in the schedule.

Specialist and hospitality products

The bespoke policies issued by our Specialist Property Division may include contingent business interruption clauses ("CBI") that may extend to provide cover as a result of the COVID-19 pandemic. Since the exact wording of these bespoke clauses varies per client, we will not be providing blanket comments or advice on coverage in this note. However, if a claim is submitted, each case will be reviewed on its merits based on the specific policy wording in-force and the specific circumstances. Normal standards of claims documentation and disclosure continue to apply.

* Depending on the policy form, these clauses may include Infectious Diseases / Loss of Attraction / Extended Damage / Non-Damage extensions.

Our specialist Hospitality products offer an optional extension for “Cancellation of Bookings” and “Infectious Diseases” which provides cover for the loss of deposits due to COVID-19. Each claim submitted will be treated on its merits based on the exact policy wording.

Our approach to existing in-force business

No new requests for cover for infectious diseases will be entertained without the general pandemic exclusion (as per Technical Note #1).

Many insureds are proactively moving to a work-from-home scenario for the forseeable future. As a result, significant volumes of office equipment may be relocated to private homes. The insured must ensure that normal risk management and safety standards continue to be exercised over the items concerned whilst away from the office.

We may apply an additional excess – similar to that applied to laptops and movable equipment – and we would like to highlight that mysterious disappearance remains excluded.

Insureds should inform Bryte whether a building may now be vacant for an extended period. The duty of care to protect and safeguard assets remains unchanged during this pandemic. Security firms continue to operate during this time and normal vacancy conditions and requirements apply to the policy.

Some delivery or transport fleets may remain unused during the period of the pandemic. Insureds should be aware of unusual accumulations of risk at depots and ensure that their policy is amended to cover this risk.

Policy warranties for protection and prevention systems such as burglar alarms and sprinkler systems remain in force throughout the period of the pandemic. It is therefore important that any impairments of such systems are, as usual, reported to Bryte in line with policy conditions.

Where Bryte has imposed deadlines for risk improvement actions to be completed, these remain in force. Should the current conditions require an extension, please inform us. Each case will be decided based on the technical aspects of the risk improvement action.

Should an insured request reduction or suspension of their cover during the lockdown period, this can be considered, but claims will not be entertained in the suspension period. This scenario must be considered carefully by the insured and broker.

Bryte have announced a three-month premium payment relief for our Specialist Hospitality business. This is a specific agreement to assist the smallest businesses in the hospitality industry and, at this stage, does not apply to other clients.

Further Q&As are attached. This, however, is an evolving situation and we request that you visit the Bryte COVID-19 information hub for updates.